



KAPLAN KIRSCH ROCKWELL

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June 14, 2011

VIA E-FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

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Office of Proceedings
JUN 14 2011
Part of
Public Record

Re: *GNP RLY, Inc. – Acquisition and Operation Exemption – Redmond Spur and
Woodinville Subdivision, Finance Docket No. 35407*

*BNSF Railway Company – Abandonment Exemption – In King County, WA
Docket No. AB 6 (Sub-No. 463X)*

*BNSF Railway Company – Abandonment Exemption – in King County, WA
Docket No. AB 6 (Sub-No. 465X)*

Dear Ms. Brown:

We are counsel for King County, Washington in the above-referenced proceedings and submit this letter on behalf of King County to oppose the request of GNP Rly, Inc. to hold these proceedings in abeyance for 90 days, as set forth in its June 8, 2011 letter. The City of Redmond, Washington, Sound Transit and the Port of Seattle have authorized us to represent that they each join in this letter.

In its letter, GNP states that holding these proceedings in abeyance for 90 days will allow time for the GNP bankruptcy proceeding to resolve and allow GNP to obtain “replacement financing” for its purported project. These are not sufficient grounds to delay resolution of these proceedings.

First, the central issue in these proceedings relates to GNP’s ability to vacate a NITU and reactivate service even though it does not hold any ownership interest in the Lines. That issue is independent of GNP’s financial viability and should be resolved in order to provide clarity to the

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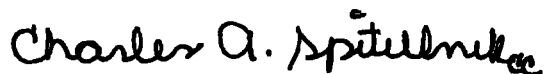
parties regarding future use of the Lines regardless of the outcome of the bankruptcy proceeding or whether GNP obtains replacement financing.

Second, GNP had previously requested that the proceedings be held in abeyance for similar reasons, and the Board denied that request by an Order served on March 15, 2011. The reasons cited by the Board for that denial continue to apply today. In its March 15 Order, the Board held that "The Regional Governments' concerns that delaying the final decision would leave the status of its development plans uncertain are valid and overriding." Those same concerns remain valid and overriding today, and GNP has not provided any reason to conclude otherwise.

Similarly, the Board noted that GNP had failed to explain how GNP would be able to resolve the bankruptcy matter during the period of abeyance. Here, other than making a general statement that it hopes to obtain replacement financing, GNP has provided no basis to believe that will occur. GNP's previous representations of financing have proven to be incorrect – including its representation to the Board at the oral argument that GNP would have financing in place by the May 25, 2011 Bankruptcy Court hearing on summary judgment. Moreover, whatever the ultimate outcome of the Bankruptcy proceeding, the Court has already adjudged GNP to be insolvent. GNP's future continues to be fraught with uncertainty, and there is no reason for the Board to hold these proceedings in abeyance while GNP continues its efforts to resolve its internal issues.

This matter has been pending for almost 10 months. The issues have been thoroughly briefed and the Board has heard oral argument. The Board has indicated its intent to issue a decision by June 15, 2011. GNP has presented no information or other reason that should cause the Board to alter its current schedule. Accordingly, King County, the City of Redmond, Sound Transit and the Port of Seattle respectfully request the Board to deny GNP's request to hold these proceedings in abeyance.

Sincerely,



Charles A. Spitulnik
Counsel for King County, Washington

cc: All parties of record